

**MICHIGAN DEPARTMENT OF ENVIRONMENTAL QUALITY (DEQ)
AIR QUALITY DIVISION (AQD) ANNUAL REPORT - FISCAL YEAR 2007 (FY07)**

This year-end report is required from every state department to which emissions control funds are appropriated. The information is organized as directed by Section 5522 (9) of Part 55, Air Pollution Control, of the Natural Resources and Environmental Protection Act, 1994 PA 451, as amended (Act 451).

- A)** A total of 150 full-time equated positions (FTEs) performed enforcement, compliance, and permitting activities. From that total, 96 FTEs (approximately 64 percent) performed these activities in the Title V Program as defined in Section 5501 of Act 451. Additionally, approximately 10 additional FTEs performed Title V support activities. The other 54 FTEs (approximately 36 percent) performed enforcement, compliance, and permitting activities in the non-Title V Program.

B) Permits to Install:

- i. There were 638 permit to install applications received in FY07.
ii.

Permits to Install - Final Actions	Total Number
Final action taken on applications and permits.	1,332
Applications approved.	528
Applications denied.	2
Applications and permits voided (86 of which were due to issuance of ROPs).	862

- iii.

Approved Permits to Install	Total Number
Number required to complete public participation before final action.	39
Number not required to complete public participation before final action.	489

- iv. The average number of final permit actions per reviewer (FTE) is 58.

Permits to Install		Percentage	Total Number
v.	Applications reviewed for administrative completeness within 10 days of receipt by the DEQ.	98.9%	631
vi.	Applications reviewed for technical completeness within 30 days of receipt by the DEQ.	94.2%	555
vii.	Applications submitted to the DEQ that were administratively complete as received.	86.4%	551
viii.	Applications for which a final approval was taken within 60 days of receipt of a technically complete application for those not required to complete public participation or within 120 days if public participation was required.	92.8%	490

C) Renewable Operating Permit (ROP) Program:

- i. A total of 47 ROP applications were received in FY07.
- ii.

ROP - Final Actions	Total Number
Final action taken on ROP applications.	84
Applications approved.	76
Applications denied.	0
Applications voided (withdrawn by the applicant).	8

ROP		Percentage	Total Number
iii.	Permit applications initially processed within the required time.	29	14
iv.	Permit renewals processed within the required time.	26	62
	Permit modifications processed within the required time.	26	22
v.	Permit applications re-opened by the DEQ.	100	1
vi.	General permits issued by the DEQ.	0	0

D) There were 435 letters of violation (LOV) sent during FY07.

E) Penalty money collected from all consent order and judgments was \$3,224,942.00.

F) Enforcement actions that included payment of penalty:

Company Name	Corrective Actions
Parker Abatement LLC	Consent Order, AQD No. 20-2006
Enervest Operating	Consent Order, AQD No. 31-2006
City of Battle Creek	Consent Order, AQD No. 33-2006
Bolen Asphalt Paving	Consent Order, AQD No. 34-2006
Banks Hardwoods, Inc.	Consent Order, AQD No. 35-2006
Midland Cogeneration Venture	Consent Order, AQD No. 36-2006
Grede Foundries	Consent Order, AQD No. 37-2006
Quanex Corporation/MacSteel	Consent Order, AQD No. 38-2006
Trenton Forging	Consent Order, AQD No. 1-2007
Rand Environmental	Consent Order, AQD No. 2-2007
Delrasario Enterprises	Consent Order, AQD No. 3-2007
Louisiana Pacific Corp., Newberry	Consent Order, AQD No. 4-2007
Merit Energy Company	Consent Order, AQD No. 5-2007
AAR Mobility Systems	Consent Order, AQD No. 6-2007
Franklin Metal Trading	Consent Order, AQD No. 7-2007
Conway Products/Emerald Spa	Administrative Fine Order, AQD No. 8-2007
Aircraft Precision Products	Consent Order, AQD No. 9-2007
Legend Motors Worldwide	Consent Order, AQD No. 10-2007
Pamar Enterprises	Consent Order, AQD No. 11-2007
Quicksilver Resources, Inc.	Consent Order, AQD No. 12-2007
National Standard	Consent Order, AQD No. 13-2007
Louisiana Pacific Corp., Sagola	Consent Order, AQD No. 14-2007
Northstar Crushing	Consent Order, AQD No. 15-2007
Chemcentral	Consent Order, AQD No. 16-2007

Company Name <i>(continued)</i>	Corrective Actions <i>(continued)</i>
Orchard View School	Consent Order, AQD No. 17-2007
Granger Construction	Consent Order, AQD No. 18-2007
Clifford Buck Construction Company	Consent Order, AQD No. 19-2007
Wisconsin Electric Power Company	Consent Judgment No. 03-C-0371
Cemex, Inc.	Consent Judgment No. 1:06CV0607

- G)** The total number of inspections was 1,371. The number of inspections done for ROP sources was 263. The number of inspections of non-ROP sources was 1108.
- H)** A total of 1,588 complaints were received during FY07. All complaints were logged, prioritized, evaluated, and resolved according to the DEQ's AQD procedures. A complaint is considered resolved if the problem has been abated, an LOV requesting a compliance program has been sent, the district staff was not able to verify the problem, or the complaint was not under the AQD's jurisdiction and a referral was made to the appropriate agency. An on-site inspection was conducted for approximately 70 percent of the complaints. A telephone call or letter followed up the other complaints.
- I)** The following represents the number of contested case hearings and civil actions initiated and completed, and the number of voluntary consent orders, administrative penalty orders, and emergency orders entered or issued for Title V sources:

Enforcement	Total Number
Hearings	0
Civil Actions	2
Consent Orders	14
Administrative Orders	1
Emergency Orders	0

- J)** Revenue in the fund at the end of the fiscal year was \$1,559,627.

The following information is required by Section 5522 of Act 451.

AIR QUALITY DIVISION EXPENDITURES BY FUND AND PROGRAM FUNCTION:

Program Function	General Fund 29%	EPA Grants 23%	Air Fees 48%	Total 100%
Permit Section	\$ 498,049 (8%)	\$122,663 (2%)	\$2,432,844 (23%)	\$ 3,053,589 (14%)
Enforcement Unit	\$ 313,137 (5%)	\$ 31,244 (1%)	\$ 809,312 (7.7%)	\$ 1,153,693 (5.3%)
Field Operations	\$ 2,395,176 (38%)	\$ 1,354,722 (27%)	\$ 6,295,586 (59.7%)	\$ 10,045,485 (46.1%)
Air Quality Evaluation Section	\$ 2,140,161 (34%)	\$ 3,280,183 (66%)	\$ 391,590 (3.7%)	\$ 5,811,936 (26.6%)
Administration	\$ 911,445 (15%)	\$ 215,256 (4%)	\$ 623,725 (5.9%)	\$ 1,750,427 (8%)
Total AQD Expenditures (4 quarters)	\$ 6,257,968 (100%)	\$ 5,004,068 (100%)	\$ 10,553,090 (100%)	\$ 21,815,130 (100%)
Revenues Allotted (4 quarters)*	\$ 6,686,473	\$ 5,174,292	\$ 11,121,700	\$ 22,982,465

* The revenue allotment identified above represents a hundred percent of the estimated revenue to be collected from each funding source in FY07. The EPA grants expenditures do not include indirect costs.

Note that additional Non-Air Quality fee expenditures were as follows: Environmental Science and Services Division \$534,739; DEQ & DIT Indirect \$1,296,500. Michigan Economic Development Corporation, Small Business Ombudsman expenditure of \$41,100 is included in the Administration total above.